



CANNON BUILDING  
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STATE OF DELAWARE  
**DEPARTMENT OF STATE**

DIVISION OF PROFESSIONAL REGULATION

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PUBLIC MEETING MINUTES:	<b>COUNCIL ON REAL ESTATE APPRAISERS</b>
MEETING DATE AND TIME:	<b>Tuesday, October 19, 2010 at 9:30 a.m.</b>
PLACE:	861 Silver Lake Boulevard, Dover, Delaware <b>Conference Room A</b> , second floor of the Cannon Building
MINUTES APPROVED:	<b>November 16, 2010</b>

**Members Present**

Brad Levering, Chair, Professional Member  
Gary V. Parker, Vice Chair, Professional Member  
Stephen Huston, Professional Member  
Ronald Mandato, Professional Member  
Frank Long, Public Member  
William Diveley, Professional Member  
Frank Smith, Public Member  
Yvonne Rickards, Public Banking Member

**Division Staff/Deputy Attorney General**

Patricia Davis-Oliva, Deputy Attorney General  
Nicole Williams, Administrative Specialist II

**Members Absent**

Linda Carter, Public Member

**Others Present**

Charles Witt  
Earl Loomis  
Thomas Reynolds  
Charlotte Dixon  
Rafael Delgado

**Call to Order**

Mr. Levering called the meeting to order at 9:35 a.m.

### **Review and Approval of Minutes**

The Council reviewed the minutes from the September meeting. Mr. Long made a motion to accept the minutes with the corrections, seconded by Mr. Huston. Motion carried unanimously.

### **Unfinished Business**

#### **Status of Complaints**

19-01-09: Schedule a Hearing Date – Ms. Davis-Oliva advised the Council that a complaint has been filed with the Council to schedule a hearing and advised the Council to notice the hearing for the November meeting. The Council scheduled the hearing date for November 16, 2010 at 9:30 a.m.

19-15-09: Closed by the Investigative Unit.

#### **Update on Rules and Regulations for Other States RE: State Law Course**

Mr. Diveley advised the Council that he did not find any states that were making it mandatory for applicants to take a state law and regulations course prior to licensure. Mr. Levering advised that at the Association of Appraisers Regulatory Officials (AARO) conference he spoke with a representative from Maryland and the Maryland representative explained their reciprocity requirements. Mr. Levering discussed the rules and regulations requirement for licensure for trainees and all initial licensees and reciprocity applicants of Delaware with the Maryland representative. Mr. Levering advised that for this reason he requested the agenda be formatted to allow for public comment after each section from 3.3 to 3.5.

Mr. Levering advised that right now there is nothing in the pre-licensing courses that covers Delaware law, rules and regulations. Mr. Diveley advised that it appears to be a great amount of Delaware law, rules and regulations content in the pre-licensure courses.

Mr. Parker advised that for the State of Virginia it used to be a requirement for licensees to take a two day course on Virginia law, rules and regulations but after time the Virginia Appraiser Board decided that the licensees were not getting any real value from taking the course every renewal as the rules and regulations did not change much; therefore Virginia did away with that requirement. Mr. Parker further advised that as a Council he does not feel that the Council is being equitable in making the three hour Delaware law, rules and regulations course mandatory as the State would not be on a level playing field.

Mr. Levering requested clarification and Mr. Parker advised that the Virginia state regulations requirement was redundant as there was no real learning value to the course. Mr. Parker concurred. Mr. Parker further advised that while it is a valid idea it does not allow for Delaware to be equitable.

Mr. Levering read to the Council the affidavit language from the Application for Licensed or Certified Appraiser by Examination. Mr. Mandato inquired if the Division staff requires an initial applicant to read the rules and regulations when applying. Ms. Williams advised that the affidavit that they sign states that they are attesting to having read the law and regulations. Mr. Mandato stated for the record that the applicant's attestation is verification that they have read the law and regulations and that it would be redundant to require them to take the course on law and regulations prior to licensure.

Mr. Huston advised that he is not in favor of this requirement as it is a hardship and another requirement that is not needed.

Mr. Parker advised that he does not see any state that would require a state law and regulations course prior to licensure for reciprocity or temporary practice and this puts Delaware on an unlevel standards requirement field as other states.

Mr. Long inquired if when applying the applicant is attesting that they have read the rules and is aware of them and Mr. Parker advised that was correct. Mr. Long inquired as to why the applicant has to take the course after two years of licensure when for initial licensure it was ok for the applicant to just read and attest to knowing the rules and regulations. Mr. Mandato advised that the Council was seeking to be proactive to alert all licensees about the law and rules and regulations for renewal and therefore made it a requirement to have all licensees take the course as a condition to renewal.

Mr. Parker stated for the record that the Council has opened the floor to public comment as the Council moved to agenda item 3.3.

#### Requirement of DE Law Rules and Regulations Course for Initial Licensure

Public Comment – Mr. Earl Loomis address the Council and advised that he is in favor of having the trainee take the course prior to licensure as many of the trainees do not know the rules and regulations even though they have certified that they have read and will abide by the rules and regulations. He further advised that it is pertinent for the trainee to take this course as the supervisor is just to supervise the trainee. Mr. Loomis continued to state to the Council that this requirement will provide the trainees the actual knowledge of the rules and regulations rather than just to attest to it on an application. Mr. Loomis lastly advised that the State of Pennsylvania does not have the licensed level and requires their supervisors to have at least five years of experience as a certified appraiser.

Mr. Parker inquired if Mr. Loomis's comments are only for initial trainee licenses or for reciprocity and temporary practice as well. Mr. Loomis advised that his comment only applies to the initial trainee license.

Mr. Levering inquired if Mr. Loomis felt the course requirement for trainee initial license was an undue hardship. Mr. Loomis advised that he did not feel the course was an undue hardship.

Mr. Levering opened the floor for additional public comment. Mr. Charlie Witt addressed the Council regarding this requirement. Mr. Witt provided a brief background as to the development of taking the rules and regulations course prior to licensure. He advised that he polled members of the Delaware Association of Appraisers (the DAA) and the majority did vote to have trainees take the law and rules course prior to initial licensure.

The Council thanked Mr. Witt for his comments.

Mr. Thomas Reynolds addressed the Council. He advised the Council that he has personally always preferred a classroom for a course rather than online and believes that the Council should always go above and beyond the minimum. He stated that he believes it is in the best interest to have people raise the bar regarding licensure. He further advised that he does not see where there would be a problem for a trainee to have to take the DE law and rules course prior to licensure and that the problem does not exist with temporary practice applicants, but

rather with trainees who are not being properly supervised. He would like to see the Council raise the bar with their licensure requirements.

Mr. Levering summarized Mr. Reynolds's points. Mr. Mandato advised that Mr. Reynolds stated that it is not an undue hardship to take the course online, but the real learning is in the actual classroom. Mr. Mandato inquired as to why the applicant should take the course online when it could be done in an hour rather than have them take it in a classroom where the learning is more meaningful. Mr. Reynolds advised that he believes requiring the applicant to come to Delaware to take the course would be an undue hardship as not all applicants can just travel to Delaware to take a course but rather can take it online. Mr. Reynolds further clarified that he does not personally agree with the online course but since the course is given online then all applicants for a trainee license can take it without it being an undue hardship.

Charlotte Dixon addressed the Council. Ms. Dixon advised the Council that she is a former member of the Council and supports the mandatory course for appraiser trainees. Ms. Dixon advised that in her opinion to vote against this being a mandatory requirement for trainees would not be in the best interest of the public as it would not be protecting the public as is one of the Council's duties. Mr. Levering summarized Ms. Dixon's statement. The Council thanked Ms. Dixon for her comments.

Mr. Levering advised the Council that he is expecting a fax and requested the Council to take a brief break.

The Council went back in session at 10:50 a.m.

Mr. Rafael Delgado addressed the Council. Mr. Delgado advised the Council that he believes he took the DE law and rules course sometime within the one year he was licensed as a trainee but would have liked to have known more on the law and regulations prior to then. He further advised that the online course for the DE law and rules were valuable to him as he does value some online courses over classroom courses, but that is only his opinion. He lastly advised the Council that he feels the rules and regulations course is very important for initial license of trainees and supervisors. Mr. Mandato inquired if Mr. Delgado's supervisor advised him of the rules prior to his beginning the appraisal process. Mr. Delgado replied that he was instructed about the rules from his supervisor but he was unclear on some things at this time and all of the responsibilities of a supervisor.

The Council further discussed the requirement of having the DE law and rules course as part of the licensure requirement for an initial trainee license.

Mr. Huston inquired if the requirement for initial licensure would require a test. Ms. Davis-Oliva advised that only a few boards for the Division require an applicant to take a state law and rules and regulations exam prior to licensure. Ms. Williams advised that the Dental and Funeral professions require state law and rules exams prior to licensure, but not a course. Mr. Huston again clarified that the requirement for licensure is a state exam and not a course. Ms. Davis-Oliva concurred.

Ms. Rickards addressed the Council and advised that in her review the statute the trainee according to the law should be supervised by a supervisor that should be reviewing the law and rules with the trainee. Mr. Levering agreed with Ms. Rickards in that the supervisor needs to be well aware of the law and rules and regulations.

Mr. Levering made a motion to require the 3 hours of DE law, rules and regulations course without an exam for an initial trainee license from an approved provider for licensure, seconded by Mr. Long. Mr. Mandato inquired if the affidavit should be stricken if this is going to be a new requirement. Mr. Levering advised that the revision of the applications are a new matter and do not apply at this time for this motion.

Ms. Davis-Oliva inquired if an applicant according to § 4008 can be certified or licensed and not be a trainee and if so where in the statute would this requirement fall. The Council discussed and Ms. Davis-Oliva found where in the statute this requirement would be placed.

The motion went back on the floor. Four members voted yea and four members opposed the motion. The motion failed due to lack of a majority vote. Mr. Levering inquired if this agenda item could be discussed on the agenda again at a later time. Ms. Davis-Oliva advised that this could be revisited. There was no further discussion by the Council.

#### Requirement of DE Law Rules and Regulations Course for Reciprocity

Public Comment - Mr. Witt addressed the Council again and advised that if the Council's intent is to have the DE law and rules course as a requirement for supervisors and trainees then he suggested to have the Council make it mandatory to have the DE law and rules course incorporate an exam and make it a mandatory requirement to licensure.

Mr. Levering made a motion to require the DE law and rules course as a requirement to licensure for reciprocity, seconded by Mr. Long. Mr. Long inquired how the Council could require applicants for reciprocity to take the course if initial license applicants do not have to take the course. Mr. Parker briefed Mr. Long as to the requirement of another state which requires applicants to take a state law and rules course for licensure. Ms. Davis-Oliva advised Mr. Long that the Legislators will ask the same question as they will want to understand why the Council would seek to have applicants by reciprocity take the course and those for initial license not have to take the course. Ms. Davis-Oliva further advised the Council that Mr. Collins, the Division's Director, is aware of this matter and has advised all Boards that they are to be cautious that reciprocity requirements will not cause an undue hardship to applicants. Mr. Levering rebutted and asked that Ms. Williams advise the Council on what Mr. Collin's office advised her. Ms. Williams advised that it was stated if the course was given online then it would not be seen as undue hardship.

The motion went back on the floor. One member voted yea as the rest of the members opposed. The motion failed.

#### Requirement of DE Law Rules and Regulations Course for Temporary Practice

Public Comment – there was no public comment. Mr. Levering made a motion to require this for temp permit as there was no second. The motion failed.

#### Strategic Planning: Assessor Regulations Draft Language

Mr. Parker advised that the definition for appraiser is different then the definition stated in the assessor regulations. Ms. Davis-Oliva advised that it is best to strike it from the regulations and just use the definition as stated in the statute. Ms. Davis-Oliva advised the Council of the other change and that the final version will be presented at the November meeting. Mr. Parker made

a motion to approve the assessor regulations with the amendments, seconded by Mr. Levering. The motion carried unanimously.

#### Legislation Draft Language

Ms. Davis-Oliva advised the Council of two different legislation drafts for their review. The first change is to Section 4006 subsection (a)(12) which requires the disciplinary action to become effective immediately following the Council's decision. The second change is to strike "federally-related transactions" from the statute in § 4002(3) and (4) and struck (9) in its entirety and defined transaction value as a new section.

Mr. Long made a motion to accept the two bills that Ms. Davis-Oliva provided to the Council with the amendments, seconded by Mr. Parker. The motion carried unanimously.

Ms. Davis-Oliva advised the Council that she has the model act on the new Appraisal Management Companies (AMC) law and has some of the other states acts regarding AMCs and will have an update for the Council at the next meeting. Ms. Davis-Oliva will look into Arizona's AMC act as noted by Mr. Witt from the Public.

Ms. Davis-Oliva advised the Council of the final order for Mr. Patrick Joseph's for the Council to sign. The members that were present last month signed the order.

#### **New Business**

##### New Complaints

There were no new complaints to be assigned to the Council.

##### Ratification of Issued Continuing Education Activities

Mr. Huston made a motion to ratify the continuing education activities listing, seconded by Mr. Diveley. The motion carried unanimously.

##### Ratification of Issued Licenses

Robert Sapio – Mr. Parker made a motion to ratify the issued reciprocity license to Mr. Sapio, seconded by Mr. Diveley. The motion carried unanimously.

##### Review of Temp Applications

Ms. Williams advised that the below permits were issued as the applicants licenses were in good standing on the National Registry. No further discussion by the Council.

Daniel Greenwald – 6 properties in Sussex Co.  
Michael Cummings – 2 properties in Sussex Co.

##### Review of Temp Permit Application for Jordan Yuter in Kent County

Ms. Williams advised the Council that Mr. Yuter entered into a consent agreement in another state where he is currently licensed. Mr. Huston made a motion to propose to deny Mr. Yuter's application pursuant to 24 Del. C. § 4008(a) (2), seconded by Mr. Parker. Motion carried unanimously.

##### Review of Reciprocity Application: Catherine Agnew – FL (Certified General)

Ms. Davis-Oliva advised the Council that the applicant had a DUI arrest on her record and that this was not a crime listed on the Council's substantially related crimes list. Mr. Huston made a

motion to approve Ms. Agnew for licensure, seconded by Mr. Diveley. Motion carried unanimously.

Update from the AARO Fall 2010 Conference

Mr. Levering advised that he will move this to the November meeting. Ms. Williams will add this topic to the November agenda.

**Other Business before the Council (for discussion only)**

There was no other business for discussion before the Council.

**Public Comment**

There was no further public comment.

**Next Meeting**

The next meeting is scheduled for November 16, 2010 at 9:30 a.m. in Conference Room B, second floor, Cannon Building, 861 Silver Lake Boulevard, Dover, Delaware.

**Adjournment**

Mr. Long made a motion, seconded by Mr. Parker, to adjourn the meeting. There being no further business before the Council, the meeting adjourned at 11:46 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Nicole M. Williams".

Nicole M. Williams  
Administrative Specialist II